

Executive Summary

The EC is reforming how it works with Technical Cooperation

As part of its commitment to implementing the Aid Effectiveness Agenda as expressed in the Paris Declaration and the Accra Agenda for Action, the EC has launched a strategy to reform how it will work with Technical Cooperation (TC) in the future. The strategy is designed to achieve the following:

- ➔ **Provide quality Technical Cooperation** that supports country-led programmes, based on strong partner demand and which focuses on achieving sustainable development results; and
- ➔ **Provide support through partner-owned implementation arrangements**, with a substantial reduction in the use of parallel Project Implementation Units (PIUs).

These guidelines are a key element in the strategy implementation. They will be updated based on lessons learned and reactions from partners, EC staff and donors.

The guidelines cover TC funded by the EC. They apply to all EC modalities of support, including centralised and decentralised management as well as country system procedures (see annex 6 on procedures). They cover TC support to government, civil society and the private sector. The guidelines are also intended to help guide staff in situations where the EC is actively engaged in dialogue about and overseeing TC functions.

This may be TC delivered by others or TC procured by a partner receiving budget support for a programme from the EC.

Ownership, demand and results-orientation

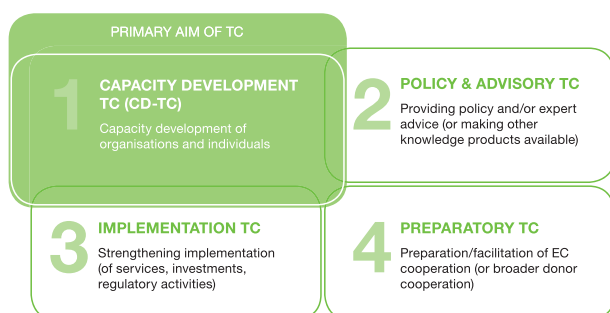
The guidelines set out practical steps to i) make ownership a real feature of TC-support; ii) base support on demand; and iii) ensure that TC delivers concrete results beyond merely “assisting”, “training” or “advising”. The conversion of “ownership”, “demand” and “results” into practical action is based on simple, yet fundamental notions that get away from “business as usual” when it comes to the supply of TC:

- ➔ **Ownership is not expressed in words but by continuous action:** Sufficient ownership is an indispensable pre-requisite for CD and sustainability. Country ownership is a real investment of critical resources (motivation, leadership, time, attention, funds, etc.) which can and must be specified.
- ➔ **Focus first on what the partner will do – second on the TC support from the EC and other donors:** This implies a mental shift towards focusing on the partners’ projects and programmes and, therefore, the principle that the EC is *supporting* partner projects and programmes, not making its own.
- ➔ **Demand from partners is articulated through constant dialogue and full participation:** Effective demand for support requires much more than a partner’s passive acceptance of TOR or programme documents prepared by EC staff or consultants. Supply is likely to overshadow demand unless there has been a deep, intensive dialogue and participation all the way through.
- ➔ **Results, not TC support, must drive dialogue, design and implementation:** Capacity development efforts result in enhanced organisational or sector-wide capacity – which, in turn, translates into enhanced service outputs delivered to citizens. Focusing on this level of outputs is the starting point. Defining specific TC support is the end point of the dialogue, never the starting point.
- ➔ **Implementation of country-owned programmes requires sound implementation arrangements:** These must cover the entire partner-owned programme rather than focus only on the donor support. Depending on the objectives, the optimum degree of managerial autonomy in programme implementation arrangements may vary.

These guidelines turn these principles into practical advice on the purpose of TC support, its identification, formulation (including the design of implementation arrangements), implementation, monitoring, evaluation and quality assurance. It is, throughout the guidelines, recognised that in practice there will be several dilemmas applying this approach to TC support, and a pragmatic and realistic approach is recommended.

CD is the main purpose of TC – but not the only purpose

CD and sustainable results are the key objectives of all EC assistance. CD is the primary purpose of TC support. However, there are other important roles for TC. TC can serve four different purposes, but TC support from the EC may in some cases not be relevant at all. The four purposes are:

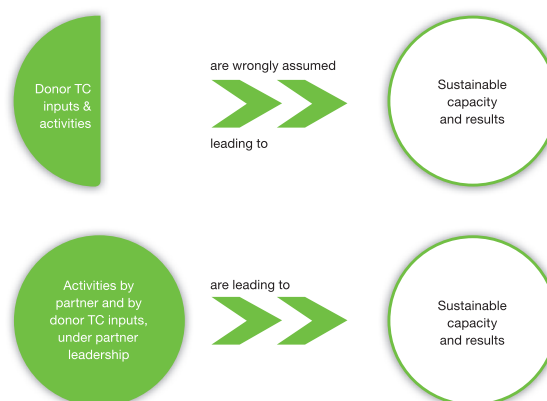


- 1. TC for Capacity Development.** When aimed at more comprehensive CD or reform processes, this is also the most complex. It requires considerable dialogue and joint understanding, and considerable investment in a partner-led identification and formulation of the CD process and the support it may require.
- 2. TC for Policy/Expert Advice** is often of short duration. It may be limited in scope and of a purely technical nature. Such TC is less complex and demanding for both partners and EC staff.
- 3. TC for Implementation** may be relevant when linked to classical investment projects in the form of design and supervision engineers, and other specialists. Implementation TC may also be relevant where a country has limited capacity and the partner cannot manage the implementation of urgent service delivery programmes. Supporting implementation through TC, however, may mean that long-term sustainability will not be attained.
- 4. TC for the preparation or facilitation of EC cooperation** may be needed to bring expertise or to facilitate the formulation of a programme by the partner, with the EC and other donors playing a supportive role.

Partner-owned operations in practice

When CD or sustainability is a key objective, an intervention (a project, a programme or an initiative) is *by default* not something that donors do alone. The EC does *not* make projects - it *supports partner projects, programmes and processes*. The supporting role can vary, but as a logical consequence, the dialogue and the preparation of support must focus on making demand, ownership and commitment operational by:

- **Specifying the outcomes and outputs of the combined activities by all** who contribute to the intervention, whether funded by donors or domestic partners. It is only in this way that the relevance and effectiveness of EC or other external support can be assessed.
- **Specifying partner as well as donor resources** which are critical for the performance of the activities. Partner resources also include leadership, staff time, and daily commitment.
- **Specifying the managerial and governance roles** to be played by partner stakeholders. These implementation arrangements must cover domestic resources (e.g. managers, staff) as well as any external support.
- **Being aware of the roles of partners and EC staff.** Working to strengthen practical ownership of TC support requires playing a facilitating role, with careful attention to the details of communication processes and task division arrangements.



Demand-driven TC support

TC support must be demand-led. This requires careful attention to the roles played by EC staff. Support must also be adapted to the context and to the existing capacity of partners. Finally, all harmonisation options should be explored:

- **Assess demand and support its articulation:** Disclose the full cost of TC support, and assess whether the partner has pro-actively requested support.
- **Assess the context:** Overall country performance matters, as well as incentives to performance. If there is already considerable TC support, additional TC may do little extra – and topping-up practices may impact on whether TC support is actually effective.
- **Assess existing capacity,** paying careful attention to the scope of assessments and how they are carried out. Blueprint approaches, normative models focusing only on “capacity gaps”, and expert-driven assessments ending in large reports, are likely to be bad starters – keep it simple, initially.
- **Harmonise TC support with other donors:** This requires putting all harmonisation options on the table; keep others informed if stand-alone TC support is the best or only option; create a joint agenda of analytical work as a first step to prevent fragmentation of TC; support the partner in playing a stronger role in TC support implementation and pursue mutual accountability about TC support and results.

Results-oriented TC support

Results-oriented design of TC implies rigorous application of the logic of objective-oriented planning techniques. It is not about filling formats and matrixes, or about creating strait-jackets – but it is a systematic way of thinking about specific results to be achieved and how the partner can get there. The key steps are:

- **Start by focusing on the specific outcomes and performance that the partner wants to achieve.** Pay careful attention to the *level* at which outcomes and outputs are defined – “200 people trained in new customs procedures” does not indicate any increase in capacity, while “Customs clearance time reduced by 400% and seizure of illegal imports increased by 100%” does.
- **Avoid, initially, focusing on what donor-provided TC might do.** Focus on what the partner needs to change and develop to achieve the results.
- **Get the logical chain from results to TC deliverables right for different types of TC:** TC for CD contributes to CD processes leading to capacity results, which enables partners to produce service outputs. Implementation TC contributes directly to service delivery outputs. Getting this right from the start is crucial.
- **Specify all key activities and inputs from all sources, but maintain flexibility.** CD and reform processes are not linear and blueprint planning will not work. The challenge is to maintain strategic focus and specify just enough to take the next steps in the process and harness support from decision-makers.
- **Getting the right inputs – thinking beyond traditional international TA:** TC support can include peer mechanisms, twinning, outsourcing of non-core functions, and local or regional consultants. Exploring such options first may help to avoid the standard response of fielding international short or long-term TA.
- **Drawing up high-quality TOR and tender documents is essential – and demanding.** It may require professional assistance to develop TOR or tender documents for complex CD support. The process of preparing the TOR always requires careful attention. Donor-produced TOR with only formal endorsement by the partner are unlikely to be effectively owned by the partner and will not lead to sustainable results.
- **Partners must be involved in the TC procurement process** as far as procedures allow. This includes screening and interviewing candidates for TA.
- **High-quality procurement takes time and effort:** It may take 12-18 months to develop TOR, organise procurement and recruit high quality TAs who are usually busy in the short term. Checking the references of candidates is essential, and assistance from recruitment companies may be useful for critical adviser positions.

Programme Implementation Arrangements

The EC vision is that the use of parallel PIUs be gradually replaced by partner-owned and managed programme implementation arrangements embedded in the local institutional context. Making such arrangements effective and avoiding the problems of donor-driven parallel units requires a consistent focus on the governance and daily management of the **partner's project or programme** – and **not** just the donor support to this. Key issues to be considered are:

→ ***The balance between autonomy and integration of the programme set-up is critical.***

This depends on the nature of the anticipated results. Greater autonomy will be appropriate when the results are largely independent of inputs and resources from other organisations, a higher level of integration is appropriate when sustainable CD is the priority.

→ ***Five basic organisational and governance parameters need to be considered.***

Implementation arrangements must be appropriate to the context and the results. Five parameters must be clearly defined:

- **Governance and accountability:** Who should oversee and govern the programme implementation and who should the programme be accountable to in the country system?
- **Management set-up:** Who will perform the day-to-day programme management functions, and have what authority in relation to resource management decisions?
- **Logistical autonomy:** Does the programme require its own vehicles, photocopiers, janitor and coffee service, etc., or should it share resources with others?
- **Relations between TC experts, partners and the EC:** If contracted by the EC (or another donor), who are the experts taking instructions from and to whom are they accountable?
- **Role of EC and other donors in the programme implementation:** Should donors play a role at all – and if so, what role should that be?

Monitoring and evaluation of TC support

Consistent with the focus on partner ownership of projects and programmes supported by TC, the partners will have to play a vital role in quality assurance during implementation, where monitoring is a key instrument.

→ ***Monitoring the implementation of TC is primarily the responsibility of the partner country.***

The partner country institutions are responsible for accountability to domestic stakeholders. The EC's primary role is to "monitor the monitoring". When the EC takes part in joint reviews or uses its own Results-Oriented Monitoring System, care should be taken to ensure that these systems also contribute to domestic accountability.

→ ***Monitoring focused at two levels:*** Monitoring should take place at several levels consistent with the logical chain from impact/outcomes to all inputs into a programme. The focus should be on i) capacity enhancement and service delivery results; and ii) CD processes and TC performance. Mutual performance assessments between partner managers of TA and the TA may be particularly useful as part of this monitoring.

→ ***Evaluation of the entire chain of contribution from all inputs to outcomes and impact:***

Consistent with the focus on the partner's programme, evaluation of TC support will be an element in evaluations of the partner's programme. TC in itself is not sufficient to deliver capacity and sustainability, and evaluations will therefore have to systematically look beyond donor contributions to a programme.

Quality Assurance of TC support

The EC's quality assurance of TC support is the responsibility of both the Delegations and EuropeAid. The quality criteria comprise:

1. **Commitment and ownership of partner(s):**
There must be demonstrable demand for TC support and adequate country leadership and ownership of design and implementation.
2. **Fit to context:** TC in general and in particular TC aiming at CD, will only work if there is a reasonably positive and enabling environment.
3. **Harmonised support:** Harmonisation arrangements must be clear and justification provided if TC supply could not be harmonised with other donors.
4. **Clear links to outputs and expected outcomes:** The full logical chain from TC-support to outputs and outcomes must be sound and results must be monitored.
5. **Appropriate implementation arrangements:** Based on the nature of the programme, the programme implementation arrangements must exhibit an appropriate level of integration or autonomy, including effective governance by domestic stakeholders.

Revisiting EC procedures for more effective TC

In the framework of the Backbone Strategy, EC procedures have been screened in order to highlight the various options that can support the implementation of TC, notably in terms of ownership, quality of support, mobilisation of public sector expertise and of non-profit organisations. The output of this analysis is presented in annex 6 - "Short guide to EC rules and procedures" - structured following the procedural steps in the preparation and implementation of Technical Cooperation. This document:

- encourages and clarifies modalities for more **donor coordination** (co-financing, delegated cooperation), the use of decentralised management and local systems and the involvement of the beneficiary country in the key steps of the procedure (preparation of procedures, evaluation of experts, etc) to achieve the objectives of ownership, alignment and harmonisation expressed in the Paris Declaration and its Accra follow-up;
- addresses the need to explore **alternatives to the traditional Technical Cooperation** (use of peer support and, in general, grants, mobilisation of expertise from public administration, etc) and to use more flexible procedures when justified;
- encourages an **adequate planning** and clarifies the use of the **suspensive clause**.
- provides guidance on how to consider, *inter alia*, **past experience of experts** (including checking references or, where applicable, using database of experts), on how to ensure quality of **selection and award criteria** (which may focus on local expertise or involvement of public administrations where required), on how to perform **interviews** and apply all the required mechanisms when an expert is not available (including penalties to the contractor), etc.

The crosscutting message is that it is essential to plan ahead to develop TC support to a programme and think in terms of procedural options from the very start of the identification. Annex 6 also offers a number of practical examples and a set of checklists.